



Regulation F Reporting

Bank of North Dakota is pleased to provide its risk-based capital ratios as of Sept. 30, 2006. You will notice Bank of North Dakota exceeds the capital ratios necessary to qualify as a “well-capitalized” bank per Regulation F.

Risk-Based Capital Ratio:

	Bank of North Dakota	Per Reg. F.
Tier One Risk-Based Capital Ratio	12.12%	6.00%
Total Risk-Based Capital Ratio	13.38%	10.00%
Leverage Ratio	7.64%	5.00%

Bank of North Dakota is committed to exceeding the ratios for a “well-capitalized” correspondent and will provide your institution with updated capital and leverage ratios on a quarterly basis.

We have also included additional financial information to assist you in analyzing the financial condition and performance of Bank of North Dakota on the following page.



Bank of North Dakota **Financial Information**

(Dollar Amounts in Thousands)

	<u>09/30/2006</u>	<u>06/30/2006</u>
Tier One Capital	\$163,894	\$163,894
Total Risk-Based Capital	180,944	179,835
Total Risk-Weighted Assets	1,351,974	1,262,733
Net Income (Annualized)	44,229	41,920
Average Assets	2,144,438	2,081,237
Average Equity	163,705	163,395
Total Gross Loans	1,726,823	1,632,725
Past Due Loans	34,937	39,924
Nonperforming Loans	2,387	3,183
Allowance for Loan Losses	29,112	28,515
Return on Average Assets (Annualized)	2.06%	2.01%
Return on Average Equity (Annualized)	27.02%	25.65%
Past Due Loans/Total Loans	2.02%	2.45%
Nonperforming Loans/Total Loans	0.14%	0.19%
Allowance for Loan Losses/Total Loans	1.69%	1.75%